

Coalition of Finance Ministers for Climate Action

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Green recovery and trade needed now

Requirements for green recovery:

- Long-term targets and main policy strategies to get there -> guide investments
- Guidelines & criteria on how to choose best green recovery policies
- (International) Financing
- **Trade**

Trade policy to support green recovery?

- Many green recovery projects related to infrastructure investments and R&D
- **Increasing trade barriers would hinder the required trade flows for recovery**
- How to **promote low carbon and circular economy goods and service trade** to support job creations, emission cuts and decrease of natural resource over-use?
- Bailout conditions' market competition effects?

Coalition of Finance Ministers for Climate Action?

- Coalition of currently 52 countries' Finance Ministries
 - Lead by two Co-chairs: Finland and Chile
 - Secretariat: World Bank
 - Technical support from various institutional partners: WB, OECD, IMF, NDC Partnership, UNDP, UNFCCC, ADB, EC, LSE & prof. Nicholas Stern, Sitra, ...
 - Countries have committed to Helsinki Principles
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- **What does it do?**
 - Regular meetings for civil servants and for Finance Ministers
 - Workshops and webinars, also at regional level
 - Santiago Action Plan: Information banks, Technical support, Written analysis, Handbooks, Policy recommendations, Peer support in action, etc.

**Members
cover
~30% of
global
GDP**

ARGENTINA	AUSTRIA	BANGLADESH	CANADA	CHILE	COLOMBIA
COSTA RICA	CÔTE D'IVOIRE	CYPRUS	DENMARK	DOMINICAN REPUBLIC	ECUADOR
EQUATORIAL GUINEA	ETHIOPIA	FINLAND	FIJI	FRANCE	GERMANY
GHANA	GUATEMALA	GREECE	ICELAND	INDONESIA	IRELAND
ITALY	JAMAICA	KENYA	LATVIA	LITHUANIA	LUXEMBOURG
MADAGASCAR	MALDIVES	MARSHALL ISLANDS	MEXICO	MONACO	NETHERLANDS
NEW ZEALAND	NIGERIA	NORWAY	PANAMA	PARAGUAY	PHILIPPINES
POLAND	PORTUGAL	SPAIN	SRI LANKA	SWEDEN	SWITZERLAND
	TONGA	UGANDA	UNITED KINGDOM	URUGUAY	

Helsinki principles

1. **Align** our policies and practices with the Paris Agreement commitments;
2. **Share** our experience and expertise with each other in order to provide mutual encouragement and promote collective understanding of policies and practices for climate action;
3. **Work** towards measures that result in effective carbon pricing;
4. **Take** climate change into account in macroeconomic policy, fiscal planning, budgeting, public investment management, and procurement practices;
5. **Mobilize** private sources of climate finance by facilitating investments and the development of a financial sector which supports climate mitigation and adaptation;
6. **Engage** actively in the domestic preparation and implementation of Nationally Determined Contributions (NDCs) submitted under the Paris Agreement.

Coalition work and green recovery

Cooperation and sharing of experiences and knowledge now vital to:

- Prevent the 'raise to the bottom' on climate policies and increase of protectionism
- Facilitate the spread of good ideas and experiences on green recovery
- Coalition currently discussing green recovery plans and how work programmes could support them

Work programmes (see Santiago Action Plan):

- Principle 1: Long-term climate strategies
- Principle 3: Carbon pricing, inc. removal of fossil subsidies and knowledge sharing on carbon border adjustments
- Principle 4: Public spending and investments (e.g. green budgeting and fiscal multipliers), macroeconomic and fiscal assessments of adaptation & resilience policies
- Principle 5: Financing, how to help investors to evaluate sustainability (18.6. Webinar on Financial Preparedness against Disasters in the time of COVID-19)
- Principle 6: Development of short term NDCs in line with long-term strategies

RISE TO SHINE!



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